

Federal, State, and Intergovernmental Relations (FSIR) Meeting
Video Conference Call Meeting
June 17, 2022

Members Present: Council Member Lawson – Chair, Council Member Gardner

Absent: Council Member Jurinsky

Others present: J. Godwin, J. Batchelor, M. Bryant, C. McDonald, A. Botham, D. Lathers, T. Vaughn, K. Hancock, G. Koumantakis, R. Allen, C. Juul, K. Kitzmann, K. Rodriguez, L. Hettinger, P. O’Keefe, M. Hildebrand

1. CONSENT ITEMS: None.

2. APPROVAL OF MINUTES

May 20, 2022 meeting minutes were approved.

3. SALES TAX SIMPLIFICATION TASK FORCE

Summary of Issue and Discussion: Trevor Vaughn provided background on the sales tax simplification task force.

The Sales Tax Simplification Task Force is a legislative interim task force that meets during the off sessions. It covers topics on simplification of sales tax and targets home rules as reasons for complications. CML and municipal representatives are members of the task force. The city also works with a city representative from Denver. City staff will testify at the committee to provide testimony regarding the status and issues facing the city and provide information to the legislative members present. The task force is currently looking at construction use tax and other topics. An example is the forced exemption on six home rule cities regarding construction materials of schools. Litigation is expected of that bill as there are concerns that the logic used to push the exemption through will be used in other areas.

The Simplification Task Force authorized a sales and use tax simplification system to be a statewide remittance portal beneficial for businesses working in multiple jurisdictions. Instead of using the primary system vendor GenTax under FAST Enterprises, the state purchased MuniRevs which works with smaller cities in Colorado. The state took the cheapest option and ended up returning several million dollars. MuniRevs has since been purchased by GovOS. The system, however, is substantially deficient and home rule cities are experiencing lots of bugs and issues. Initially, they were supposed to set up an integration with local municipalities but ended up pushing the cost onto municipalities with a \$17,500 cap. Aurora was the first city to sign up. The process started in October 2020 and was expected to be done in eight weeks. However, the city still does not have a functioning file and has not been able to turn the system on for Aurora. The new vendor

stopped working on the errors and has yet to respond since April 5th. T. Vaughn mentioned that he expressed his frustration with the Department of Revenue. They have provided an indication that the system will be working again, but it will be a long process. These issues affect enforcing economic nexus.

The State has passed Senate Bill 22-032 which states that if you file through the system, you then issue a nonphysical presence retailer a license. The main goal is the simplification of tax filing for businesses. However, it is not small-business friendly. Instead of setting up a form, a spreadsheet filing process is used. This concern was brought up in testimony to the task force in September. The task force has since asked the Department of Revenue for an ask to develop it further. However, nothing came out of the legislative session for it.

Committee Discussion

T. Vaughn said that he got feedback and they will be able to have the final issues worked out to at least get the integration done. He added that it would be helpful to have a letter from the city in the event that DOR or the task force stop responding to the issue. CM Lawson asked who the sponsors of SB22-032 are. T. Vaughn answered that it was Senator Bridges and Representative Kipp. He mentioned that he wrote some of the language on the bill. J. Batchelor restated that Aurora currently uses GenTax under FAST and considers it a success story. He mentioned that they are being business-friendly and moving away from paper returns. He highlighted that it can be done successfully. However, it was not easy. CM Lawson asked T. Vaughn if he is on the task force. T. Vaughn said he is not directly on the task force, but he sets up public testimony or will work through representatives such as CML or municipal representatives on the task force. He mentioned that only the legislators are voting members. CM Lawson stated that it would be beneficial to have T. Vaughn on the task force. T. Vaughn stated that he is getting the city through the setup process, while Jeff Edwards now handles tax. He mentioned that they have a fair amount of involvement in communication with their representative. CM Lawson said to let the committee know what they can do with regard to the issues brought forth.

Outcome: Information only.

Follow-up Action: No follow-up is needed.

4. FEDERAL LEGISLATIVE UPDATE

Summary of Issue and Discussion: Lauri Hettinger gave an update on federal legislation.

There is a bipartisan framework for gun control with 11 Republican senators in support. Senate Majority Leader McConnell also expressed support for the framework. Senator Corryn is the lead Republican on the framework. It is expected to have the required 60 votes to pass in the Senate. They have been writing the bill text and it should be ready to go to the floor in the following week. It will be passed before July 4th. The framework provides resources to states to create and administer their own laws to ensure that deadly weapons are kept away from individuals deemed to be a significant danger to themselves and others. It will expand community behavioral centers,

put funding into providing access to mental health and suicide prevention programs, fund school-based mental health, and add funding to school safety resources. It will include convicted domestic violence abusers and will crack down on criminals illegally evading licensing requirements. Buyers under 21 will undergo an investigative period to review their mental health and juvenile records. Penalties will be given for straw purchasing.

Congress is working on its appropriation bills for the Fiscal Year 2023. Senators Hickenlooper and Bennet together with Congressman Crow supported the Martin Luther King Library earmark request. Senator Hickenlooper and Congressman Crow supported the Aurora Water lead pipe request. By the end of Tuesday and Thursday, there should be news on whether the projects were included by the Appropriations Committee. The Senate has yet to decide when they will do their appropriation markups, but it is expected to be in July.

Lauri Hettinger is working to produce an Excel Spreadsheet that details the program description, funding amount, eligibility, and the NoFo status. There was another RAISE opportunity available. However, the city was not ready to apply for that round this year. DEN requested money from the INFRA grant with awards to be made in September. DRCOG is eligible for the transit-oriented development grant opportunity and the bus facilities grant. The city is now focusing on Safe Streets for All. This opportunity for planning and implementation of comprehensive roadway safety or Vision Zero programs and projects came out two weeks ago. Reconnecting Communities is another opportunity. It is a program created by Majority Leader Schumer and Senator Padilla to mitigate difficulties of longstanding infrastructure. The grant will allow infrastructure to be taken down, mitigated, or provide additional infrastructure to ensure that underserved communities have access to healthcare, education, and jobs. The Railroad Crossing Elimination Grant Program will also be available next week for which the city has several projects. Aurora Water is working on the state revolving loan fund program that provides water for clean water, safe drinking water, and wastewater. Aurora Water is also working on a drought resiliency plan under reclamation. The delegation sent letters of support for it. The infrastructure bill requires the state to allocate 49% of the money as grants rather than a loan.

Committee Discussion:

CM Lawson said that she thanked Senators Hickenlooper and Bennet, and Representative Crow for the earmarks during Accelerate trip. CM Lawson requested L. Hettinger to provide the spreadsheet to the committee. She mentioned that she sits on multiple transportation committees and emphasized the importance of getting this information so she can advocate in those spaces. She said that she could use the spreadsheet to see what they are applying for, what they are looking at, and what is available. L. Hettinger said that she will send the spreadsheet.

Outcome: Information only.

Follow-up Action: No follow-up is needed.

5. STATE LEGISLATIVE UPDATE

Summary of Issue and Discussion: Peggi O’Keefe and Mark Hildebrand gave updates on current legislation. The legislative session has ended and the interim committees starting. Legislators are meeting during summer and fall to prioritize their agenda for the next session.

Committee Discussion

P. O’Keefe mentioned that they are working with Hannah to meet with the delegation during summer and fall. CM Lawson said that she wants to build relationships with state and county partners during the summer. She added that it would be great to schedule those with the state delegation. P. O’Keefe said that they will work on this ASAP.

CM Lawson asked Commander M. Hildebrand if there were any legislative updates from APD. M. Hildebrand said that he is not aware of anything that is active or in the works. He mentioned that they are interested to see what will be approaching on the horizon. He asked J. Batchelor if he has anything from a law enforcement standpoint. M. Hildebrand clarified that Deputy Chief Chris Juul will be the primary point of contact while he will be the backup for the FSIR Committee. CM Lawson asked if the Chief’s Association meets during the summer and if they talk about policy. M. Hildebrand answered that they talk about policy and legislation, but he has not attended those meetings. He mentioned that he will follow up on getting Deputy Chief Juul included in those meetings. CM Lawson said that it would be important to know about anything that will come up from the Chief’s Association to see if they can leverage anything before the legislative session starts again. M. Hildebrand said that he will pass that information on to C. Juul. J. Batchelor said that he did not have anything to add.

Outcome: Information only.

Follow-up Action: No follow-up is needed.

6. QUALIFICATION OF ELECTIVE OFFICERS OF THE CITY & VOTE CENTERS IGA

Qualification of Elective Officers

Summary of Issue and Discussion: Kadee Rodriguez presented the proposed ordinance on the qualification of elective officers.

In 2021, District Court ruled that the City Charter was in violation of the Colorado Constitution. Due to this, the City Council passed an ordinance to amend the city code. However, a vote of registered electors is needed to amend the Charter. The proposed ordinance is to submit a vote to the registered electors to amend the charter to be in conformance with the Colorado Constitution. The verbiage currently states that felons cannot run for office. Aurora City Council has the authority to refer amendments to the City Charter to the voters.

A Charter amendment or an ordinance be published like other ordinances. A ballot will state the nature and the words yes or no. If the majority of registered electors vote in favor of the ordinance,

it will become effective upon certification of the election results. This must be on the ballot for the November 7th, 2022 elections. Once approved by the FSIR Committee, it will go to the July 18th Study Session, then be introduced as an ordinance at the July 25th Council Meeting. The deadline to notify counties of intent to participate is on July 29th. The finalization of the ordinance will be during the August 8th Council Meeting. Once approved to be put on the ballot, an IGA with the counties must be approved. This IGA will go to the August 15th Study Session and then the August 22nd Council Meeting. It must be provided to the counties by August 30th.

Committee Discussion:

George Koumantakis suggested moving the item to the June 27th meeting. CM Lawson asked K. Rodriguez if the item can be placed on the June 27th agenda. K. Rodriguez said that since it is a district court ruling and will need to be put on the ballot this year, it would qualify for late submission to the June 27th agenda. CM Lawson said that she will use her authority, according to the Council Rules, to move the item forward and sponsor it for the June 27th meeting. K. Rodriguez said that she will put it on eScribe with CM Lawson as the sponsor.

Vote Centers IGA

Summary of Issue and Discussion: Kadee Rodriguez presented the IGA on Vote Centers.

The city of Aurora currently has an existing IGA with Arapahoe County for the Voter Service and Polling Centers (VSPC) and dropbox locations placed in city-owned facilities for the elections. The approved IGA is for election years 2020 through 2022. Arapahoe County currently uses five locations in the city and is requesting to use three more city facilities for the November 2022 General Elections. They are requesting to use Beck Recreation Center, the Aurora Center for Active Adults, and the Murphy Creek Golf Course. Arapahoe County made sure that the places are accessible for individuals with disabilities. Department heads have approved the dates that Arapahoe County has requested.

Committee Discussion:

CM Lawson asked if the item needs to be moved forward on the June 27th meeting or if it can go to the Study Session. K. Rodriguez clarified that it could go to the next study session since Arapahoe County is yet to amend the IGA and give it to city staff. It is expected to be done by July. CM Lawson asked if it would go to the July 18th Study Session or if it would be moved to the floor on the July 11th Council Meeting. K. Rodriguez said that it can go to the Study Session. CM Lawson said she will sponsor the item.

Outcome: CM Lawson sponsored the Qualification of Elective Officers Ordinance for the June 27th Council Meeting and the Vote Centers IGA for the July 18th Study Session.

Follow-up Action: The Qualification of Elective Officers Ordinance will go to the June 27th Council Meeting. The Vote Centers IGA will go to the July 18th Study Session.

7. WATER UPDATE

Summary of Issue and Discussion: Kathy Kitzmann presented the updates to the Committee.

Aurora Water is attending the Water Resources and Agricultural Review Committee and the Interim Wildfire Matters Review Committee. The Bureau of Reclamation Water Smart Application went in on Wednesday for the North Campus radial collector wells. Letters of support have been received from Rep. Crow and Senator Bennett. Senator Hickenlooper's letter of support is still being expected.

Outcome: Information only.

Follow-up Action: No follow-up is needed.

8. MISCELLANEOUS MATTERS FOR CONSIDERATION

None.

CONFIRM NEXT MEETING

July 22, 2022, at 1:00 PM.

Approved:

Angela Lawson
Angela Lawson
Committee Chair

7-22-22

Date